

AUGUST 23, 2005

**CITY OF GUNNISON COUNCIL
REGULAR SESSION MINUTES**

7:00 P.M.

The Regular Session was called to order at 7:00 P.M., by Mayor Ferguson with Councilmembers Medina, Harriman, and Miller present along with City Manager Collins, City Clerk Davidson, Acting City Manager Westbay, Public Works Director Coleman, Finance Director Hanson, City Auditor Johnson, several interested citizens and the press. Councilor Nesbitt and City Attorney Landwehr were absent.

Mayor Ferguson stated Councilor Nesbitt is out of town. Councilor Harriman moved and Councilor Medina seconded the motion to approve Councilor Nesbitt's absence from this evening's meeting.

Roll call vote, yes: Medina, Harriman, Ferguson, Miller. So carried.

Roll call vote, no: None.

Consideration of Regular Session Minutes of August 9, 2005.

Councilor Miller moved and Councilmember Harriman seconded the motion to approve the Regular Session Minutes of July 26, 2005, as submitted.

Roll call vote, yes: Harriman, Ferguson, Miller, Medina. So carried.

Roll call vote, no: None.

Pre-Scheduled Citizens: Presentation of 2004 City Audit – Den Johnson of Johnson, Holscher & Co. Mr. Johnson and Finance Director Hanson addressed Council and reviewed the 2004 City Audit report. Mr. Johnson informed Council there are no problems with the City's accounting controls. He then explained the new reporting GASB standards. Changes include: adding in long-term debt and fixed assets with depreciated values; net assets are now included in the audit; year-to-year budgetary comparison schedules are included; the Local Highway Users Report is included at the end of the audit; a Statement of Activities, what it costs to run the City is included; and a Management Discussion and Analysis, a text description of the audit, is now included. Footnotes to the financial statements are included at the back of the audit document. The General Fund balance and the enterprise funds were reviewed. Finance Director Hanson informed Council action on acceptance of the 2004 City Audit will be included on the September 13th Regular Session agenda. She invited Council to get with her with any questions they have concerning the audit or the new audit process.

New Business:

Overview and Discussion on Refuse/Recycling Services and Rates. Public Works Director Coleman addressed Council. Items discussed included existing fee structures for residential and commercial customers, increasing expenses, i.e. fuel costs, tipping fees, labor costs, and the decreasing fund balance. Director Coleman stated the Department's philosophy in the rate structure is to keep it simple, ensure fair rates and to recover costs for operations and future investments.

Council discussion included: setting a yearly rate increase rather than one large increase every few years; the rising cost of fuel; the need for incentives for people to use recycling; the need for more education on recycling; the actual increase proposed for residential is \$4.00 per month, even if it is expressed as a 33% increase; the possibility of a senior rate; problems with billing for different rate structures; and the increasing costs of landfill operations.

Richard Karas spoke on the need for recycling incentives and education. Resident Butch Clark stated the County budget includes the cost of the landfill operations.

Ordinance and Resolutions: None.

City Attorney: Out of Town.

City Manager: Mark Collins: Informed Council on the following: Staff is working on budget; There will be an all-day Staff budget retreat on September 9th; and Western State College has extended an invitation to City Council and Staff to attend the WSC Community Track dedication during the Homecoming football game half-time ceremonies on September 17th.

Acting City Manager: Community Development Director Westbay. Director Westbay reviewed his semi-annual departmental report. Topics included: Departmental staffing is at a high level; and he gave a lot of credit to his staff for their work during the past six months. Director Westbay then reviewed the status of the property at 313 S. Boulevard that had a fire this summer. The property owners are not readily available; the property/building has been condemned; taxes are delinquent and the City is placing a lien on the property for nuisance abatement issues. The property contains 2 ½ lots and is buildable and sellable, once the property is cleaned up. Director Westbay and the Building Official have met with asbestos abatement consultants and testing and remediation are underway.

City Clerk Davidson: Nothing to report.

Non-Scheduled Citizens:

Richard Karas asked the City Manager, that during the transfer of the cable television franchise from Adelphia to Time Warner, the problems with the sound system in the Council Chambers be addressed. The sound system is not good and needs to be upgraded.

Butch Clark informed the Council that Gunnison County had sent notices to area non-profits that may be asking the County for funding in the 2006 budget process. Mr. Clark asked if the City could get a common form for non-profits to request funds from the City.

General Discussion/Items for Work Session:

Councilor Harriman: Informed Council she attended a training session hosted by the Colorado Association of Non-Profits. There was a discussion on Referenda C and D at that meeting. The Bell Policy Center will host a panel on the issues at the College on September 29.

Councilor Medina: Nothing to report.

Mayor Pro Tem Miller: Reported he attended the CAST (Colorado Association of Ski Towns) meeting and will get a report to Council at a later date.

Mayor Ferguson: Nothing further to report.

Adjournment: The meeting adjourned at 8:47 P.M.

Mayor

City Clerk